

RETIREE PLAN UPDATE

Update to Your *Retiree Summary Plan Description*

November 2010

This Retiree Plan Update contains important information about your rights under the Motion Picture Industry Pension and Health Plans and under ERISA. Please keep it with your *Retiree Summary Plan Description* for future reference.

Patient Protection and Affordable Care Act

Earlier this year, the Patient Protection and Affordable Care Act (Act) was enacted. The legislation requires that the following notice be provided to Participants.

Grandfathered Status

The Motion Picture Industry Health Plans (MPIHP) believes the Health Plans are “grandfathered health plans” under the Act. A grandfathered health plan can preserve certain basic health coverage that was already in effect when the law was enacted. Being a grandfathered health plan means that your plan may not include certain consumer protections of the Act that apply to other plans (for example, the requirement to provide preventive health services without any cost sharing). However, grandfathered health plans must comply with certain other consumer protections in the Act.

Questions about which protections apply to a grandfathered health plan and what might cause a plan to change from a grandfathered health plan status can be directed to the Employee Benefits Security Administration, U.S. Department of Labor, at 866.444.3272, or visit www.dol.gov/ebsa/healthreform. This website has a table summarizing which protections do and do not apply to grandfathered health plans. You may also contact the MPIHP Participant Services Center at 818.769.0007, extension 244.

Special Enrollment Events

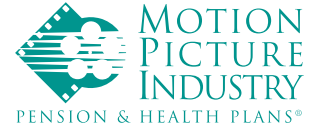
Special enrollment events allow you and your eligible dependents to enroll for health coverage outside the Open Enrollment period under certain circumstances. This is required under the Health Insurance Portability and Accountability Act (HIPAA).

If you decline enrollment in an MPIHP medical plan for you or your dependents (including your spouse or domestic partner) because of other health insurance coverage, you or your dependents may be able to enroll in an MPIHP medical plan without waiting for the next Open Enrollment period if you:

- Lose other coverage. You must request enrollment within 31 days after the loss of other coverage.

- Gain a new dependent as a result of marriage, birth, adoption or placement for adoption. You must request enrollment within 31 days after the marriage, birth, adoption or placement for adoption.
- Lose Medicaid or Children’s Health Insurance Program (S-CHIP) coverage because you are no longer eligible. You must request enrollment within 60 days after the loss of such coverage.
- Gain eligibility for a state premium assistance program under Medicaid or S-CHIP. You must request enrollment within 60 days after you gain such coverage.

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MPIHP Participant Services Center

Email: service@mpihp.org

California Office:
818 or 310.769.0007, extension 244

Outside of Southern California:
888.369.2007, extension 244

Hours: 7 a.m. to 5 p.m.

Address Changes
Adding Dependents
Benefits Changes
Case Management
Claims Inquiries
Health Benefits
Pension Benefit Estimate Statements
Pension History Printouts
Plan Enrollments
Refund of Employee Contributions
Retirement

Office hours are Pacific Standard Time.

**Motion Picture Industry
Pension and Health Plans**
www.mpihp.org

Other Web Sites of Interest

Blue Shield of California
www.blueshieldca.com

Medco
www.medco.com

Motion Picture & Television Fund
www.mptvfund.org

Participants, Please Take Note:

As a result of unique agreements associated with mergers of various Locals throughout the years, information reflected in this notice may not apply to all Participants.

2009 Summary Annual Reports

FOR THE MOTION PICTURE INDUSTRY PENSION, INDIVIDUAL ACCOUNT AND HEALTH PLANS

This is a summary of the Annual Reports for the Motion Picture Industry Pension Plan (the "Pension Plan"), E.I.N. 95-1810805, Plan No. 001; for the Motion Picture Industry Individual Account Plan (the "IAP"), E.I.N. 95-0030749, Plan No. 002; and the Motion Picture Industry Health Plans (the "MPIHP"), E.I.N. 95-6042583, Plan No. 501, for the year ended December 31, 2009.

These Annual Reports have been filed with the Employee Benefits Security Administration, U.S. Department of Labor, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

Basic Pension Plan Financial Statement

Benefits under the Pension Plan are provided through insurance and through a trust fund. Pension Plan expenses were \$216,049,275, which included \$199,774,264 in benefits paid to or for participants and beneficiaries and \$16,275,011 in administrative expenses. A total of 70,965 persons were participants in or beneficiaries of the Pension Plan at the end of 2009, although not all of these persons had yet earned the right to receive benefits.

The value of Pension Plan assets, after subtracting liabilities of the Plan, was \$2,467,238,494 as of December 31, 2009, compared to \$2,124,800,876 as of January 1, 2009. During the Plan year, the Pension Plan experienced an increase in its net assets of \$342,437,618. This increase includes unrealized appreciation or depreciation in the value of Plan assets; that is, the difference between the value of the Plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. The Pension Plan had total income of \$558,486,893, including income from investments of \$330,445,327, employer contributions of \$176,142,379, realized gains of \$43,523,214 from the sale of assets and other income of \$8,375,973.

Minimum Funding Standards

An actuary's statement shows that enough money was contributed to the Pension Plan to keep it funded in accordance with the minimum funding standards of ERISA.

Basic Individual Account Plan (IAP) Financial Statement

Benefits under the IAP are provided through a trust fund. IAP expenses were \$75,013,324, which included \$63,010,179 in benefits paid to or for participants and beneficiaries and \$12,003,145 in administrative expenses. A total of 69,198 persons were participants in or beneficiaries of the IAP at the end of 2009, although not all of these persons had yet earned the right to receive benefits.

The value of IAP assets, after subtracting liabilities of the Plan, was \$2,299,532,364 as of December 31, 2009, compared to \$1,928,387,237 as of January 1, 2009. During the Plan year, the IAP experienced an increase in its net assets of \$371,145,127. This increase includes unrealized appreciation or depreciation in the value of Plan assets; that is, the difference between the value of the Plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. The IAP had total income of \$446,158,451, including income from investments of \$400,642,683, employer contributions of \$162,848,989, realized losses of \$122,295,894 from the sale of assets and other income of \$4,962,673.

Health Plans Insurance Information

MPIHP has contracts with The Union Labor Life Insurance Company, Private Medical Care, Inc., Kaiser Foundation Health Plan of California, Oxford Health Plans (NY), Inc., PacifiCare Behavioral Health of California, Health Net and Vision Service Plan to provide certain medical, dental, vision and life insurance benefits incurred

under the terms of the Plans. The total premiums paid for the Plan year ended December 31, 2009, was \$61,721,169.

Because certain contracts are so called “experience-rated” contracts, the premium costs are affected by, among other things, the number and size of claims. Of the total insurance premiums paid for the Plan year ended December 31, 2009, the premiums paid under such “experience-rated” contracts were \$1,869,557 and the total of all benefit claims paid under these experience-rated contracts during the Plan year was \$1,475,921.

Basic Health Plans Financial Statement

The value of MPIHP assets, after subtracting liabilities of the Plans, was \$79,579,475 as of December 31, 2009, compared to \$114,317,379 as of January 1, 2009. During the Plan year, MPIHP experienced a decrease in its net assets of \$34,737,904. This decrease includes unrealized appreciation or depreciation in the value of Plan assets; that is, the difference between the value of the Plan’s assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. During the Plan year, the plan had total income of \$531,544,260, including employer contributions of \$450,675,226, earnings from investments of \$64,082,711, participant contributions of \$7,966,532, realized gains of \$1,039,211 from the sale of assets and other income of \$7,780,580.

MPIHP expenses were \$566,282,164, which included \$541,213,542 in benefits paid to or for participants and beneficiaries and \$25,068,622 in administrative expenses.

Your Rights to Additional Information

You have the right to receive copies of any or all of the full Annual Reports, or any part thereof, on request. The items listed below are included in the Reports:

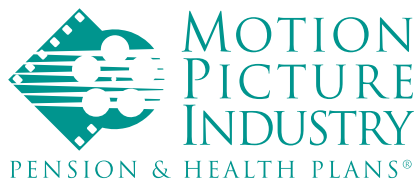
1. An independent auditor’s report;
2. Financial information and information on payments to service providers;

3. Assets held for investment;
4. Transactions in excess of 5% of the Plan assets;
5. Insurance information, including sales commissions paid by insurance carriers;
6. Information regarding any common or collective trusts, pooled separate accounts, master trusts or 103-12 investment entities in which the Plan participates;
7. Actuarial information regarding the funding of the Plan (Pension Plan only); and
8. Loans or fixed income obligations in default.

To obtain copies of the full Annual Reports, or any part thereof, write MPIHP’s Chief Financial Officer at 11365 Ventura Boulevard, Studio City, CA 91604-3148. The charge to cover copying costs will be \$15 for the full annual report, or 25 cents per page for any part thereof.

You also have the right to receive from the Plan administrator, on request and at no charge, a statement of the assets and liabilities of the Plan and accompanying notes, or a statement of income and expenses of the Plan and accompanying notes, or both. If you request a copy of the full Annual Report from the Plan administrator, these two statements and accompanying notes will be included as part of that Report. The charge to cover copying costs given above does not include a charge for the copying of these portions of the Reports because these portions are furnished without charge.

You also have the legally-protected right to examine the Annual Report at the main office of the Plan (11365 Ventura Boulevard, Studio City, CA 91604-3148) and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the U.S. Department of Labor should be addressed to: Public Disclosure Room, Room N1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.



California Plan Office (Main Office)

11365 Ventura Blvd.
P.O. Box 1999
Studio City, CA 91614-0999

Main Phone: 818 or 310.769.0007
Toll Free Outside So. California: 888.369.2007
Main Fax: 818.766.1229

New York Office

145 Hudson St.
Suite 6A
New York, NY 10013-2103

Main Phone: 212.634.5252
Toll Free: 888.758.5200
Main Fax: 212.634.4952

Website: www.mpiphp.org

WE THOUGHT YOU'D LIKE TO KNOW...

This newsletter contains important information about your rights under the Motion Picture Industry Pension and Health Plans and under ERISA. Please keep it with your *Summary Plan Description* for future reference.

California Office (Main Office)

11365 Ventura Blvd., P.O. Box 1999
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Main Fax 818.766.1229

New York Office

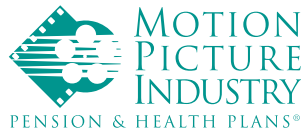
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Web site www.mpiphp.org

For Your Benefit and the *Plan Update* are published for Motion Picture Industry Pension and Health Plans Participants.

Please send your comments and suggestions to:
MPIPHP – Attn: *For Your Benefit*
P.O. Box 1999
Studio City, CA 91614-0999

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P.O. Box 1999, Studio City, CA 91614-0999

Electronic Service Requested



Check out our website at
www.mpiphp.org

Medicare Part D Open Enrollment

If you are eligible for Medicare, you may enroll in Medicare Part D between November 15 and December 31, 2010. (Medicare Part D offers prescription drug benefits through private insurance companies that are approved by and under contract with Medicare.)

As an MPI Health Plan Participant, you are not required to sign up for Medicare Part D. In fact, in the majority of cases, Medicare Part D will not provide any advantage over your current MPI Health Plan prescription drug coverage through Medco. For example, your out-of-pocket expenses with the MPI Health Plan often are much lower than they would be with the Medicare Part D Program. And, if you sign up for Medicare Part D, you will lose your MPI Health Plan prescription drug benefit.

To help you decide which prescription drug plan is right for you and your family, visit www.mpiphp.org and click on the "Medicare Part D" tab under the "FAQs" section on the

left-hand side. There you will find a chart that compares out-of-pocket costs between the MPI Health Plan and a typical Medicare Part D plan, as well as answers to frequently asked questions.

If you have questions, contact MPI's Participant Services Center by emailing service@mpiphp.org, or by calling 818.769.0007, extension 244, or our New York office at 212.634.5252.

Women's Health and Cancer Rights Act of 1998

If you have had or are going to have a mastectomy, you may be entitled to certain benefits under the Women's Health and Cancer Rights Act of 1998 (WHCRA). For individuals receiving mastectomy-related benefits, coverage will be provided in a manner determined in consultation with the attending physician and the patient for:

- All stages of reconstruction of the breast on which the mastectomy was performed;
- Prosthesis;

- Surgery and reconstruction of the other breast to produce a symmetrical appearance; and
- Treatment of physical complications of the mastectomy, including lymphedema.

These benefits will be provided subject to the same deductibles and coinsurance applicable to other medical and surgical benefits provided under this Plan. If you want more information on WHCRA benefits, contact the MPIHP Participant Services Center at 818.769.0007, extension 244.